

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Strato Inc.

New Jersey Manufacturing Extension Program

NJMEP Helps Strato to Grow Lean, Full Speed Ahead

Client Profile:

Strato Inc., founded in 1968, manufactures products to be marketed to the railroad and transit industries. Located in Piscataway, New Jersey, the company employs 100 people.

Situation:

Strato relied on customer service excellence to live up to its company motto, 'Exceed the Need.' Its goal was to grow leaner while continuing to provide quality and innovative new products. To help meet this goal, company representatives attended the New Jersey Manufacturing Extension Program's (NJMEP), a NIST MEP network affiliate, Lean Manufacturing presentation at the New Jersey Manufacturing Summit in Newark, NJ.

Solution:

NJMEP's Senior Field Agent, Lorna Runkle, and associates, Carol Miller and Rick Chiong, met with Strato's management team and proposed a Lean training program, comprised of both public and private sessions in Lean 101. NJMEP and Strato identified a need to improve operating efficiency, sales forecasting, new product development and human resources which were lacking, due primarily to language diversity within the company. The Lean Opportunity Assessment revealed deficiencies in scheduling and expediting activities and bottlenecks at various production points. NJMEP presented a Lean Overview to all Strato employees followed by a Value Stream Mapping Kaizen involving Strato management. Strato's Lean Transformation program incorporated monthly and bimonthly meetings and on-site Lean training. NJMEP retained third party resource Joe Pranzo of IKP Logistics throughout the project. Runkle's participation in the Lean Transformation program included helping Strato to identify participants, recruiting the best-suited trainer, visiting the client frequently and attending training sessions, maintaining high standards of training delivery, and obtaining feedback from employees and management. She continually provided Strato with access to NJMEP's latest product offerings and services. "Numerous significant changes were made during the project implementation, including plant layout, changes in supervision and education of all involved," observed company president, Michael Foxx. "These changes have put us in a position to move the company to the next level." Foxx also cited reductions in scrap, rework and use of floor space; decreased lead time and work in process; improved employee skills and work environment; greater revenue and cash flow; and increased customer satisfaction and market share.

Results:

- * Retained sales of \$200,000.
- * Realized \$50,000 in cost savings.
- * Created 1 new job.

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Testimonial:

"We are constantly looking to improve our processes and strengths, and we feel our relationship with NJMEP is one of the tools which will make this happen. NJMEP has outshined any of the resources we have used in the past."

Michael Foxx, President/CEO